

Capnia, Inc.
Form 4
November 20, 2014

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
ENGELSEN STEINAR J

(Last) (First) (Middle)

C/O CAPNIA, INC., 3 TWIN
DOLPHIN DR., SUITE 160

(Street)

REDWOOD CITY, CA 94065

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Capnia, Inc. [CAPN]

3. Date of Earliest Transaction
(Month/Day/Year)
11/18/2014

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/18/2014		C		436	A	<u>(1)</u> 479
Common Stock	11/18/2014		C		260	A	<u>(2)</u> 739
Common Stock	11/18/2014		P		2,643	A	<u>(3)</u> 3,382
Common Stock	11/18/2014		P		468	A	<u>(4)</u> 3,850
2010/2012 Convertible Promissory	11/18/2014		S		12,873.33	D	<u>(3)</u> \$ 0

Notes

2014

Convertible
Promissory

11/18/2014

S 2,133.95 D (4) \$ 0 D

Notes

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Amount or Number of Shares (Instr. 5)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series C Preferred Stock	<u>(1)</u>	11/18/2014		C		436		<u>(1)</u>	<u>(1)</u>	Common Stock	436
Series B Preferred Stock	<u>(2)</u>	11/18/2014		C		260		<u>(2)</u>	<u>(2)</u>	Common Stock	260
Warrant to Purchase Common Stock	\$ 4.8675	11/18/2014		J <u>(5)</u>		436		<u>(5)</u>	<u>(5)</u>	Common Stock	436
Series A Warrant to Purchase Common Stock	\$ 6.5	11/18/2014		P		468		11/18/2014	11/12/2019	Common Stock	468
Series B Warrant	\$ 6.5	11/18/2014		P		468		11/18/2014	02/12/2016	Common Stock	468

to
Purchase
Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ENGELSEN STEINAR J C/O CAPNIA, INC., 3 TWIN DOLPHIN DR, SUITE 160 REDWOOD CITY, CA 94065	X

Signatures

/s/ David O'Toole, Attorney-in-Fact for Steinar Engelsen

11/20/2014

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The Series C Preferred Stock converted into shares of Common Stock on a 1:1 basis and had no expiration date.
- (2) The Series B Preferred Stock converted into shares of Common Stock on a 1:1 basis and had no expiration date.

- (3) The reporting person converted an aggregate of \$12,873.33 in principal amount and accrued interest under the 2010/2012 Convertible Promissory Notes on November 18, 2014, at a conversion price of \$4.8675 per share, resulting in an acquisition of 2,643 shares of Common Stock. The 2012/2012 Convertible Promissory Notes were convertible into shares of Common Stock at a conversion price equal to 75% of the market price of the Common Stock on the date of conversion, which was \$6.49 per share of Common Stock.

- (4) The reporting person converted an aggregate of \$2,133.95 in principal amount and accrued interest under the 2014 Convertible Promissory Notes on November 18, 2014, at a conversion price of \$4.55 per Unit, resulting in an acquisition of 468 Units. The 2014 Convertible Promissory Notes were convertible into Units at a conversion price equal to 70% of the market price of the Units being sold on the date of conversion, which was \$6.50 per Unit, with each Unit consisting of (i) one share of Common Stock, (ii) one Series A Warrant to purchase one share of Common Stock, and (iii) one Series B Warrant to purchase one share of Common Stock.

- (5) The 2010/2012 Warrants to Purchase Common Stock were issued in connection with the 2010/2012 Convertible Promissory Notes and on November 18, 2014, became exercisable for that number of shares of Common Stock as is equal to the quotient of (x) and (y), where (x) is equal to 25% of the principal amount of the corresponding 2010/2012 Convertible Promissory Note in connection with which such warrant was issued and which is referenced in footnote 3, and, (y) is equal to 75% of the market price of the Common Stock on November 18, 2014, which was \$6.49 per share of Common Stock. The exercise price for each of the warrants is \$4.8675 per share which is equal to 75% of the market price of the Common Stock on November 18, 2014, which was \$6.49 per share of Common Stock. The 2010/2012 Warrants to Purchase Common Stock expire on either February 10, 2020 or January 17, 2022, as more particularly set forth in each 2010/2012 Warrant to Purchase Common Stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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